



QUARTERLY STATEMENT  
AS OF March 31, 2007  
OF THE CONDITION AND AFFAIRS OF THE  
CARE CHOICES HMO

NAIC Group Code	0000 (Current Period)	0000 (Prior Period)	NAIC Company Code	95452	Employer's ID Number	38-2694901
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	Michigan		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[ ] Dental Service Corporation[ ] Other[ ]		Property/Casualty[ ] Vision Service Corporation[ ] Is HMO Federally Qualified? Yes[X] No[ ] N/A[ ]		Hospital, Medical & Dental Service or Indemnity[ ] Health Maintenance Organization[X]	
Incorporated/Organized	07/08/1986		Commenced Business	01/01/1987		
Statutory Home Office	34605 Twelve Mile Road (Street and Number)		Farmington Hills, MI 48331 (City, or Town, State and Zip Code)			
Main Administrative Office	34605 Twelve Mile Road (Street and Number) Farmington Hills, MI 48331 (City or Town, State and Zip Code)					
Mail Address	34605 Twelve Mile Road (Street and Number or P.O. Box)		Farmington Hills, MI 48331 (City, or Town, State and Zip Code)			
Primary Location of Books and Records	34605 Twelve Mile Road (Street and Number) Farmington Hills, MI 48331 (City, or Town, State and Zip Code)					
Internet Website Address	www.carechoices.com		(248)489-6292 (Area Code) (Telephone Number)			
Statutory Statement Contact	Cindy Brink (Name) cindy.brink2@priority-health.com (E-Mail Address)		(616)464-8931 (Area Code)(Telephone Number)(Extension) (616)942-7916 (Fax Number)			
Policyowner Relations Contact	(Street and Number) (City, or Town, State and Zip Code)					
	(Area Code) (Telephone Number)(Extension)					

OFFICERS

Name	Title
Kimberly K Horn	Chief Executive Officer
Judith W Hooyenga	Secretary
Greg Hawkins	CFO

OTHERS

DIRECTORS OR TRUSTEES

Dennis Aloia	Joseph L Brock	Kenneth J. Fawcett
Stephen R Reznicek	Hilary F Snell	Daniel H Baldwin
Stephen B Burkhammer	Michael P Freed	Peter B Lundeen
Robert W Roth	Dale M Sowders	Craig H Bethune
Gaylen J Byker	Thomas G Schwaderer	

State of Michigan  
County of Oakland ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature) Kimberly K. Horn (Printed Name) 1. President ( and Chief Executive Officer) (Title)	(Signature) Judith W. Hooyanga (Printed Name) 2. Secretary (Title)	(Signature) Greg Hawkins (Printed Name) 3. Treasurer (Chief Financial Officer) (Title)
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Subscribed and sworn to before me this day of , 2007	a. Is this an original filing? b. If no, 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes[X] No[ ]   
(Notary Public Signature)		

**DIRECTORS OR TRUSTEES (continued)**

Lynn Kotecki  
Jon M Gans  
Nicholas P Kokx  
Jody D Vanderwel

Thomas J Wesholski  
David E Gast  
Charles E McCallum  
Timothy V Smith

Richard C Breon  
Christina MacInnes  
Kathleen Ponitz

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31, Prior Year Net Admitted Assets
1.	Bonds .....				
2.	Stocks:				
2.1	Preferred stocks .....				
2.2	Common stocks .....				
3.	Mortgage loans on real estate:				
3.1	First liens .....				
3.2	Other than first liens .....				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2	Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3	Properties held for sale (less \$.....0 encumbrances) .....				
5.	Cash (\$.....31,788,239), cash equivalents (\$.....0) and short-term investments (\$.....6,461,056) .....	38,249,295		38,249,295	73,406,984
6.	Contract loans (including \$.....0 premium notes) .....				
7.	Other invested assets .....				
8.	Receivables for securities .....				
9.	Aggregate write-ins for invested assets .....				
10.	Subtotals, cash and invested assets (Lines 1 to 9) .....	38,249,295		38,249,295	73,406,984
11.	Title plants less \$.....0 charged off (for Title insurers only) .....				
12.	Investment income due and accrued .....	574,566		574,566	579,813
13.	Premiums and considerations:				
13.1	Uncollected premiums and agents' balances in the course of collection .....	12,029,931		12,029,931	712,681
13.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums) .....				
13.3	Accrued retrospective premiums .....				
14.	Reinsurance:				
14.1	Amounts recoverable from reinsurers .....	556,395		556,395	357,495
14.2	Funds held by or deposited with reinsured companies .....				
14.3	Other amounts receivable under reinsurance contracts .....				
15.	Amounts receivable relating to uninsured plans .....				
16.1	Current federal and foreign income tax recoverable and interest thereon .....				
16.2	Net deferred tax asset .....				
17.	Guaranty funds receivable or on deposit .....				
18.	Electronic data processing equipment and software .....				
19.	Furniture and equipment, including health care delivery assets (\$.....0) .....				
20.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
21.	Receivables from parent, subsidiaries and affiliates .....				
22.	Health care (\$.....0) and other amounts receivable .....	2,058,310		2,058,310	1,714,070
23.	Aggregate write-ins for other than invested assets .....				
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) .....	53,468,497		53,468,497	76,771,043
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
26.	Total (Lines 24 and 25) .....	53,468,497		53,468,497	76,771,043
DETAILS OF WRITE-INS					
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page .....				
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) .....				
2301.	.....				
2302.	.....				
2303.	.....				
2398.	Summary of remaining write-ins for Line 23 from overflow page .....				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....				

**LIABILITIES, CAPITAL AND SURPLUS**

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded) .....	25,568,348		25,568,348	30,484,413
2.	Accrued medical incentive pool and bonus amounts .....	758,104		758,104	619,913
3.	Unpaid claims adjustment expenses .....	725,707		725,707	725,707
4.	Aggregate health policy reserves .....				
5.	Aggregate life policy reserves .....				
6.	Property/casualty unearned premium reserve .....				
7.	Aggregate health claim reserves .....				
8.	Premiums received in advance .....	3,674,535		3,674,535	2,466,476
9.	General expenses due or accrued .....	651,844		651,844	412,605
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)) .....				
10.2	Net deferred tax liability .....				
11.	Ceded reinsurance premiums payable .....				
12.	Amounts withheld or retained for the account of others .....				
13.	Remittances and items not allocated .....				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) .....				
15.	Amounts due to parent, subsidiaries and affiliates .....				
16.	Payable for securities .....				
17.	Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers) .....				
18.	Reinsurance in unauthorized companies .....				
19.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
20.	Liability for amounts held under uninsured plans .....				
21.	Aggregate write-ins for other liabilities (including \$.....0 current) .....				
22.	Total liabilities (Lines 1 to 21) .....	31,378,538		31,378,538	34,709,113
23.	Aggregate write-ins for special surplus funds .....	X X X	X X X		
24.	Common capital stock .....	X X X	X X X		
25.	Preferred capital stock .....	X X X	X X X		
26.	Gross paid in and contributed surplus .....	X X X	X X X	16,500,000	16,500,000
27.	Surplus notes .....	X X X	X X X		
28.	Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
29.	Unassigned funds (surplus) .....	X X X	X X X	5,589,959	25,561,929
30.	Less treasury stock, at cost:				
30.1	.....0 shares common (value included in Line 24 \$.....0) .....	X X X	X X X		
30.2	.....0 shares preferred (value included in Line 25 \$.....0) .....	X X X	X X X		
31.	Total capital and surplus (Lines 23 to 29 minus Line 30) .....	X X X	X X X	22,089,959	42,061,929
32.	Total Liabilities, capital and surplus (Lines 22 and 31) .....	X X X	X X X	53,468,497	76,771,042
DETAILS OF WRITE-INS					
2101.	.....				
2102.	.....				
2103.	.....				
2198.	Summary of remaining write-ins for Line 21 from overflow page .....				
2199.	TOTALS (Lines 2101 through 2103 plus 2198) (Line 21 above) .....				
2301.	.....	X X X	X X X		
2302.	.....	X X X	X X X		
2303.	.....	X X X	X X X		
2398.	Summary of remaining write-ins for Line 23 from overflow page .....	X X X	X X X		
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	X X X	X X X		
2801.	.....	X X X	X X X		
2802.	.....	X X X	X X X		
2803.	.....	X X X	X X X		
2898.	Summary of remaining write-ins for Line 28 from overflow page .....	X X X	X X X		
2899.	TOTALS (Lines 2801 through 2803 plus 2898) (Line 28 above) .....	X X X	X X X		

**STATEMENT OF REVENUE AND EXPENSES**

		Current Year To Date		Prior Year To Date
		1 Uncovered	2 Total	3 Total
1.	Member Months .....	X X X .....	262,057	289,386
2.	Net premium income (including \$.....0 non-health premium income) .....	X X X .....	76,027,530	76,391,807
3.	Change in unearned premium reserves and reserves for rate credits .....	X X X .....		
4.	Fee-for-service (net of \$.....0 medical expenses) .....	X X X .....		
5.	Risk revenue .....	X X X .....		
6.	Aggregate write-ins for other health care related revenues .....	X X X .....		
7.	Aggregate write-ins for other non-health revenues .....	X X X .....		
8.	Total revenues (Lines 2 to 7) .....	X X X .....	76,027,530	76,391,807
<b>Hospital and Medical:</b>				
9.	Hospital/medical benefits .....		49,769,070	51,350,076
10.	Other professional services .....			
11.	Outside referrals .....			
12.	Emergency room and out-of-area .....		5,078,097	3,470,685
13.	Prescription drugs .....		13,715,426	13,086,658
14.	Aggregate write-ins for other hospital and medical .....			
15.	Incentive pool, withhold adjustments and bonus amounts .....		504,798	729,863
16.	Subtotal (Lines 9 to 15) .....		69,067,391	68,637,282
<b>Less:</b>				
17.	Net reinsurance recoveries .....		538,437	279,360
18.	Total hospital and medical (Lines 16 minus 17) .....		68,528,954	68,357,922
19.	Non-health claims (net) .....			
20.	Claims adjustment expenses, including \$.....0 cost containment expenses .....		745,341	789,012
21.	General administrative expenses .....		6,342,954	6,856,868
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) .....			
23.	Total underwriting deductions (Lines 18 through 22) .....		75,617,249	76,003,802
24.	Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X .....	410,281	388,005
25.	Net investment income earned .....		919,520	696,121
26.	Net realized capital gains (losses) less capital gains tax of \$.....0 .....			
27.	Net investment gains or (losses) (Lines 25 plus 26) .....		919,520	696,121
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] .....			
29.	Aggregate write-ins for other income or expenses .....		376,647	638,029
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	X X X .....	1,706,448	1,722,155
31.	Federal and foreign income taxes incurred .....	X X X .....		
32.	Net income (loss) (Lines 30 minus 31) .....	X X X .....	1,706,448	1,722,155
<b>DETAILS OF WRITE-INS</b>				
0601.	.....	X X X .....		
0602.	.....	X X X .....		
0603.	.....	X X X .....		
0698.	Summary of remaining write-ins for Line 6 from overflow page .....	X X X .....		
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X .....		
0701.	.....	X X X .....		
0702.	.....	X X X .....		
0703.	.....	X X X .....		
0798.	Summary of remaining write-ins for Line 7 from overflow page .....	X X X .....		
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) .....	X X X .....		
1401.	.....			
1402.	.....			
1403.	.....			
1498.	Summary of remaining write-ins for Line 14 from overflow page .....			
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....			
2901.	Supplemental Income .....		376,647	638,029
2902.	.....			
2903.	.....			
2998.	Summary of remaining write-ins for Line 29 from overflow page .....			
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....		376,647	638,029

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>				
33.	Capital and surplus prior reporting year .....	42,061,929	40,199,272	40,199,272
34.	Net income or (loss) from Line 32 .....	1,706,448	1,722,154	1,862,657
35.	Change in valuation basis of aggregate policy and claim reserves .....			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0 .....			
37.	Change in net unrealized foreign exchange capital gain or (loss) .....			
38.	Change in net deferred income tax .....			
39.	Change in nonadmitted assets .....			
40.	Change in unauthorized reinsurance .....			
41.	Change in treasury stock .....			
42.	Change in surplus notes .....			
43.	Cumulative effect of changes in accounting principles .....			
44.	Capital Changes:			
44.1	Paid in .....			
44.2	Transferred from surplus (Stock Dividend) .....			
44.3	Transferred to surplus .....			
45.	Surplus adjustments:			
45.1	Paid in .....			
45.2	Transferred to capital (Stock Dividend) .....			
45.3	Transferred from capital .....			
46.	Dividends to stockholders .....	(21,678,418)		
47.	Aggregate write-ins for gains or (losses) in surplus .....			
48.	Net change in capital and surplus (Lines 34 to 47) .....	(19,971,970)	1,722,154	1,862,657
49.	Capital and surplus end of reporting period (Line 33 plus 48) .....	22,089,959	41,921,426	42,061,929
<b>DETAILS OF WRITE-INS</b>				
4701.	.....	.....	.....	.....
4702.	.....	.....	.....	.....
4703.	.....	.....	.....	.....
4798.	Summary of remaining write-ins for Line 47 from overflow page .....	.....	.....	.....
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....	.....	.....	.....

CASH FLOW

		1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations			
1.	Premiums collected net of reinsurance .....	65,918,339	310,945,578
2.	Net investment income .....	1,576,611	2,935,045
3.	Miscellaneous income .....		
4.	Total (Lines 1 to 3) .....	67,494,950	313,880,623
5.	Benefit and loss related payments .....	73,505,728	275,117,353
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	7,124,253	28,288,848
8.	Dividends paid to policyholders .....		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....		
10.	Total (Lines 5 through 9) .....	80,629,981	303,406,201
11.	Net cash from operations (Line 4 minus Line 10) .....	(13,135,031)	10,474,422
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds .....		
12.2	Stocks .....		
12.3	Mortgage loans .....		
12.4	Real estate .....		
12.5	Other invested assets .....		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....		
12.7	Miscellaneous proceeds .....		
12.8	Total investment proceeds (Lines 12.1 to 12.7) .....		
13.	Cost of investments acquired (long-term only):		
13.1	Bonds .....		
13.2	Stocks .....		
13.3	Mortgage loans .....		
13.4	Real estate .....		
13.5	Other invested assets .....		
13.6	Miscellaneous applications .....		
13.7	Total investments acquired (Lines 13.1 to 13.6) .....		
14.	Net increase (or decrease) in contract loans and premium notes .....		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14) .....		
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes .....		
16.2	Capital and paid in surplus, less treasury stock .....		
16.3	Borrowed funds .....		
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5	Dividends to stockholders .....	21,678,418	
16.6	Other cash provided (applied) .....	(344,239)	442,362
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6) .....	(22,022,657)	442,362
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(35,157,688)	10,916,784
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year .....	73,406,984	62,490,200
19.2	End of period (Line 18 plus Line 19.1) .....	38,249,296	73,406,984

Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

Description		Amount 1	Amount 2
20.0001	.....		

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year .....	91,888		91,888							
2. First Quarter .....	87,361		87,361							
3. Second Quarter .....										
4. Third Quarter .....										
5. Current Year .....										
6. Current Year Member Months .....	262,057		262,057							
Total Member Ambulatory Encounters for Period:										
7. Physician .....	76,512		76,512							
8. Non-Physician .....	135,632		135,632							
9. Total .....	212,144		212,144							
10. Hospital Patient Days Incurred .....	7,747		7,747							
11. Number of Inpatient Admissions .....	1,708		1,708							
12. Health Premiums Written (a) .....	73,229,314		73,229,314							
13. Life Premiums Direct .....										
14. Property/Casualty Premiums Written .....										
15. Health Premiums Earned .....	76,027,530		76,027,530							
16. Property/Casualty Premiums Earned .....										
17. Amount Paid for Provision of Health Care Services .....	73,306,828		73,306,828							
18. Amount Incurred for Provision of Health Care Services .....	69,067,391		69,067,391							

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.0.



**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
<b>Individually Listed Claims Unpaid</b>						
St. Joseph Hospital Mercy .....	1,099,994					1,099,994
University of Michigan Regents .....	200,362					200,362
Washington Hospital CTR .....	172,339					172,339
Karmanos Cancer Center .....	164,550					164,550
St. Joseph Saline .....	153,310					153,310
Chelsa Community Hospital .....	136,629					136,629
Providence Hospital .....	121,498					121,498
St. Joseph Livingston .....	109,725					109,725
Ann Arbor Anesthesia .....	82,467					82,467
Ann Arbor Hematology Oncology .....	76,050					76,050
University Michigan Health Systems .....	72,966					72,966
St. Joseph Mercy Oakland .....	72,033					72,033
Oakwood Hospital Medical Center .....	68,332					68,332
Huron Valley Radiology Assoc .....	67,176					67,176
Ann Arbor BMA .....	63,892					63,892
Port Huron Hospital .....	63,570					63,570
Ann Arbor of IHA .....	62,620					62,620
Mercy Mount Clemens Corp .....	60,231					60,231
St. Mary Mercy Hospital .....	60,127					60,127
Westland Dialysis .....	59,205					59,205
Fowlerville Dialysis Center .....	45,479					45,479
St. Mary's Medical Center .....	44,754					44,754
Huron Valley Sinai Hospital .....	41,311					41,311
EPMG of Michigan .....	38,766					38,766
St. Joshn Hospital Medical Center .....	38,397					38,397
Bon Secours Cottage HLTH .....	37,990					37,990
St. John Detroit Riverview .....	29,937					29,937
Dialysis Services Romeo, FMC .....	26,916					26,916
IHA of Ann Arbor, PC .....	26,308					26,308
Port Huron Mercy Hospital .....	25,346					25,346
Joint Venture Hospital Laboratory .....	25,226					25,226
Warren FMC Dialysis Services .....	23,351					23,351
Mobile Health Resources .....	22,121					22,121
University Physician GRP .....	20,240					20,240
Botsford Hospital .....	19,948					19,948
FMC Dialysis Services .....	19,071					19,071
Herrick Medical Center .....	18,417					18,417
Bixby Medical Center .....	17,852					17,852
St. Joseph Mercy Hospital .....	17,399					17,399
St. Joseph Mercy Hospital AAHI .....	16,723					16,723
Tecumseh BMA .....	16,092					16,092
Crittenton Hospital Medical .....	15,213					15,213
Douglas Portz .....	14,477					14,477
Huron River Radiation Oncology .....	14,271					14,271
POH Medical Center .....	13,987					13,987
Craig Cattell .....	13,634					13,634
Annapolis Hospital .....	13,041					13,041
Mitchell Home Medical .....	12,545					12,545
Infusion Partners .....	11,716					11,716
Center For Digestive Care LL .....	11,567					11,567
Taquir Goraya .....	11,208					11,208

**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

Aging Analysis of Unpaid Claims						
1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 days	Over 120 Days	Total
Milan Urgent Care Clinic .....	10,496					10,496
Dwarakanath RAO .....	10,259					10,259
0199999 Individually Listed Claims Unpaid .....	3,691,133					3,691,133
0299999 Aggregate Accounts Not Individually Listed - Uncovered .....						
0399999 Aggregate Accounts Not Individually Listed - Covered .....	876,887	535,713	302,824	396,483	593,710	2,705,617
0499999 Subtotals .....	4,568,020	535,713	302,824	396,483	593,710	6,396,750
0599999 Unreported claims and other claim reserves .....						17,899,693
0699999 Total Amounts Withheld .....						1,271,905
0799999 Total Claims Unpaid .....						25,568,348
0899999 Accrued Medical Incentive Pool And Bonus Amounts .....						758,104

**UNDERWRITING AND INVESTMENT EXHIBIT**

**ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE**

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5  Claims Incurred in Prior Years (Columns 1+3)	6  Estimated Claim Reserve and Claim Liability Dec.31 of Prior Year
		1	2	3	4		
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec.31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical) .....	21,472,393	51,467,828	7,475,399	18,092,949	28,947,792	30,484,413
2.	Medicare Supplement .....						
3.	Dental only .....						
4.	Vision only .....						
5.	Federal Employees Health Benefits Plan .....						
6.	Title XVIII - Medicare .....						
7.	Title XIX - Medicaid .....						
8.	Other health .....						
9.	Health subtotal (Lines 1 to 8) .....	21,472,393	51,467,828	7,475,399	18,092,949	28,947,792	30,484,413
10.	Healthcare receivables (a) .....						
11.	Other non-health .....						
12.	Medical incentive pools and bonus amounts .....	171,700	194,907	448,213	309,891	619,913	619,913
13.	Totals .....	21,644,093	51,662,735	7,923,612	18,402,840	29,567,705	31,104,326

(a) Excludes \$.00 loans or advances to providers not yet expensed.

# Notes to Financial Statement

**1. Organization and Summary of Significant Accounting Policies**

No material changes from year end disclosures.

**2. Accounting Changes and Correction of Errors**

The accompanying financial statements have been prepared in conformity with the NAIC Annual Statement Instructions and Accounting Policies and Procedures except for the following item, which caused surplus to be increased by \$376,647. The Company received approval from the Office of Financial and Insurance Services of the State of Michigan (“OFIS”) to record as other income a contribution of investment income allocated to the Company from Trinity Health of \$376,647 as a permitted practice. This permitted practice has been granted to the Company until further notice by OFIS.

**3. Business Combinations and Goodwill**

No material changes from year end disclosures.

**4. Discontinued Operations**

No material changes from year end disclosures.

**5. Investments**

No material changes from year end disclosures.

**6. Joint Ventures, Partnerships and Limited Liability Companies**

No material changes from year end disclosures.

**7. Investment Income**

No material changes from year end disclosures.

**8. Derivative Instruments**

No material changes from year end disclosures.

**9. Income Taxes**

No material changes from year end disclosures.

**10. Information Concerning Parent, Subsidiaries, and Affiliates**

No material changes from year end disclosures.

**11. Debt**

No material changes from year end disclosures.

**12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

No material changes from year end disclosures.

**13. Capital and Surplus, Shareholder’s Dividend Restrictions, and Quasi-Reorganizations**

During March, 2007, Care Choices distributed \$21,678,418 to its sole stockholder Trinity Health in anticipation of the sale of Care Choices to Priority Health on April 1, 2007.

**14. Contingencies**

No material changes from year end disclosures.

**15. Leases**

No material changes from year end disclosures.

**16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk**

No material changes from year end disclosures.

**17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

# Notes to Financial Statement

No material changes from year end disclosures.

**18. Gain of Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans**

No material changes from year end disclosures

**19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**

No material changes from year end disclosures.

**20. September 11 Events**

No material changes from year end disclosures.

**21. Other Items**

No material changes from year end disclosures.

**22. Events Subsequent**

Trinity Health entered into an agreement on December 31, 2006 to sell Care Choices to Priority Health, a health plan based on Grand Rapids, Michigan. Regulatory approval for the sale was received during March 2007. The sale was finalized and Care Choices was merged with and into Priority Health effective April 1, 2007.

**23. Reinsurance**

No material changes from year end disclosures.

**24. Retrospectively Rated Contracts & Contracts Subject to Redetermination**

No material changes from year end disclosures

**25. Change in Incurred Claims and Claim Adjustment Expenses**

No material changes from year end disclosures.

**26. Intercompany Pooling Arrangements**

No material changes from year end disclosures.

**27. Structured Settlements**

No material changes from year end disclosures.

**28. Health Care Receivables**

No material changes from year end disclosures.

**29. Participating Policies**

No material changes from year end disclosures.

**30. Premium Deficiency Reserves**

No material changes from year end disclosures.

**31. Anticipated Salvage and Subrogation**

No material changes from year end disclosures.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES  
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[ ] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[ ] No[X] N/A[ ]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[ ] No[X]
- 2.2 If yes, date of change:

.....
3. Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes[ ] No[X]
- If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[ ] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile
CARE CHOICES HMO .....	95452 .....	MI .....

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes[ ] No[ ] N/A[X]
- If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2005.....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

.....12/31/2005.....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....02/28/2004.....
- 6.4 By what department or departments?

Office of Financial and Insurance Services
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[ ] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC
.....	.....	. Yes[ ] No[X] .	. Yes[ ] No[X] .	. Yes[ ] No[X] .	. Yes[ ] No[X] .	. Yes[ ] No[X] .

FINANCIAL

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes[X] No[ ]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[ ] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[ ] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).
- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[ ] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$.....0

INVESTMENT

- 11.1 Has there been any change in the reporting entity's own preferred or common stock?

Yes[ ] No[X]
- 11.2 If yes, explain:
- 12.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[ ] No[X]
- 12.2 If yes, give full and complete information relating thereto:
13. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$.....0
14. Amount of real estate and mortgages held in short-term investments:

\$.....0
- 15.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[ ] No[X]
- 15.2 If yes, please complete the following:

**GENERAL INTERROGATORIES (Continued)**

		1	2
		Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
15.21	Bonds .....		
15.22	Preferred Stock .....		
15.23	Common Stock .....		
15.24	Short-Term Investments .....		
15.25	Mortgages Loans on Real Estate .....		
15.26	All Other .....		
15.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 15.21 to 15.26) .....		
15.28	Total Investment in Parent included in Lines 15.21 to 15.26 above .....		

16.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

16.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement.

Yes[ ] No[X]  
Yes[ ] No[ ] N/A[X]

17. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV. H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[X] No[ ]

1	2
Name of Custodian(s)	Custodian Address
Comerica Bank .....	P.O. Box 79000, Detroit, MI 48275 .....
The Northern Trust Company .....	50 LaSalle Street, Chicago, IL 60675 .....

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
.....	.....	.....

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

17.4 If yes, give full and complete information relating thereto:

Yes[ ] No[X]

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
.....	.....	.....	.....

17.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address
.....	.....	.....

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

18.2 If no, list exceptions:

Yes[X] No[ ]

STATEMENT AS OF **March 31, 2007** OF THE **CARE CHOICES HMO**

**SCHEDULE A - VERIFICATION**

Real Estate		
		1
		Year To Date
		2
		Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....	.....
2.	Increase (decrease) by adjustment .....	.....
3.	Cost of acquired .....	.....
4.	Cost of additions to and permanent improvements .....	.....
5.	Total profit (loss) on sales .....	.....
6.	Increase (decrease) by foreign exchange adjustment .....	.....
7.	Amount received on sales .....	.....
8.	Book/adjusted carrying value at end of current period .....	.....
9.	Total valuation allowance .....	.....
10.	Subtotal (Lines 8 plus 9) .....	.....
11.	Total nonadmitted amounts .....	.....
12.	Statement value, current period (Page 2, real estate lines, Net Admitted Assets column) .....	.....

**SCHEDULE B - VERIFICATION**

Mortgage Loans

Mortgage Loans		
		1
		Year To Date
		2
		Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year ....	.....
2.	Amount loaned during period:	.....
2.1	Actual cost at time of acquisitions .....	.....
2.2	Additional investment made after acquisitions .....	.....
3.	Accrual of discount and mortgage interest points and commitment fees .....	.....
4.	Increase (decrease) by adjustment .....	.....
5.	Total profit (loss) on sale .....	.....
6.	Amounts paid on account or in full during the period .....	.....
7.	Amortization of premium .....	.....
8.	Increase (decrease) by foreign exchange adjustment .....	.....
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period .....	.....
10.	Total valuation allowance .....	.....
11.	Subtotal (Lines 9 plus 10) .....	.....
12.	Total nonadmitted amounts .....	.....
13.	Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column) .....	.....

**SCHEDULE BA - VERIFICATION**

Other Invested Assets

Other Invested Assets		
Description		
		1
		Year To Date
		2
		Prior Year Ended December 31
1.	Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year .....	.....
2.	Cost of acquisitions during period:	.....
2.1	Actual cost at time of acquisitions .....	.....
2.2	Additional investment made after acquisitions .....	.....
3.	Accrual of discount .....	.....
4.	Increase (decrease) by adjustment .....	.....
5.	Total profit (loss) on sale .....	.....
6.	Amounts paid on account or in full during the period .....	.....
7.	Amortization of premium .....	.....
8.	Increase (decrease) by foreign exchange adjustment .....	.....
9.	Book/adjusted carrying value of long-term invested assets at end of current period .....	.....
10.	Total valuation allowance .....	.....
11.	Subtotal (Lines 9 plus 10) .....	.....
12.	Total nonadmitted amounts .....	.....
13.	Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3) .....	.....

**SCHEDULE D - VERIFICATION**

Bonds and Stocks

Bonds and Stocks		
		1
		Year To Date
		2
		Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	.....
2.	Cost of bonds and stocks acquired .....	.....
3.	Accrual of discount .....	.....
4.	Increase (decrease) by adjustment .....	.....
5.	Increase (decrease) by foreign exchange adjustment .....	.....
6.	Total profit (loss) on disposal .....	.....
7.	Consideration for bonds and stocks disposed of .....	.....
8.	Amortization of premium .....	.....
9.	Book/adjusted carrying value, current period .....	.....
10.	Total valuation allowance .....	.....
11.	Subtotal (Lines 9 plus 10) .....	.....
12.	Total nonadmitted amounts .....	.....
13.	Statement value .....	.....



**SCHEDULE D - PART 1B**  
**Showing the Acquisitions, Dispositions and Non-Trading Activity**  
**During the Current Quarter for all Bonds and Preferred Stock by Rating Class**

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 .....	14,496,650		8,036,594		6,460,056			14,496,650
2. Class 2 .....								
3. Class 3 .....								
4. Class 4 .....								
5. Class 5 .....								
6. Class 6 .....								
7. Total Bonds .....	14,496,650		8,036,594		6,460,056			14,496,650
<b>PREFERRED STOCK</b>								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds & Preferred Stock .....	14,496,650		8,036,594		6,460,056			14,496,650

**SCHEDULE DA - PART 1**

**Short - Term Investments Owned End of Current Quarter**

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
8299999. Totals .....	6,461,056	X X X	6,461,056	131,504	43,614

**SCHEDULE DA - PART 2 - Verification**

**Short-Term Investments Owned**

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....	14,496,650	8,763,423
2.	Cost of short-term investments acquired .....		5,733,227
3.	Increase (decrease) by adjustment .....		
4.	Increase (decrease) by foreign exchange adjustment .....		
5.	Total profit (loss) on disposal of short-term investments .....		
6.	Consideration received on disposal of short-term investments .....	8,035,594	
7.	Book/adjusted carrying value, current period .....	6,461,056	14,496,650
8.	Total valuation allowance .....		
9.	Subtotals (Lines 7 plus 8) .....	6,461,056	14,496,650
10.	Total nonadmitted amounts .....		
11.	Statement value (Lines 9 minus 10) .....	6,461,056	14,496,650
12.	Income collected during period .....	131,504	483,200
13.	Income earned during period .....	175,118	527,150

**SCHEDULE DB - PART F - SECTION 1**  
**Summary of Replicated (Synthetic) Assets Open**

Replicated (Synthetic) Asset					Components of the Replicated (Synthetic) Asset						
1  Replication RSAT Number	2  Description	3  NAIC Designation or Other Description	4  Statement Value	5  Fair Value	Derivative Instruments Open		Cash Instrument(s) Held				
					6	7	8	9	10	11	12
					Description	Fair Value	CUSIP	Description	Statement Value	Fair Value	NAIC Designation or Other Description
9999999 Totals .....			.....	.....	..... X X X .....	.....	... X X X ...	..... X X X .....	.....	.....	..... X X X .....

**SCHEDULE DB - PART F - SECTION 2**  
**Reconciliation of Replicated (Synthetic) Assets Open**

		First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year-To-Date	
		1	2	3	4	5	6	7	8	9	10
		Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value	Number of Positions	Total Replicated (Synthetic) Assets Statement Value
1.	Beginning Inventory .....										
2.	Add: Opened or Acquired Transactions .....										
3.	Add: Increases in Replicated Asset Statement Value .....	X X X		X X X		X X X		X X X		X X X	
4.	Less: Closed or Disposed of Transactions .....										
5.	Less: Positions Disposed of for Failing Effectiveness Criteria .....										
6.	Less: Decreases in Replicated (Synthetic) Asset Statement Value .....	X X X		X X X		X X X		X X X		X X X	
7.	Ending Inventory .....										

**SCHEDULE S - CEDED REINSURANCE**  
**Showing All New Reinsurance Treaties - Current Year to Date**

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Location	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

**Current Year to Date - Allocated by States and Territories**

		1 Is Insurer Licensed (Yes or No)	Direct Business Only							
			2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums and Other Considerations	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts
State, Etc.										
1.	Alabama (AL) .....	No .....								
2.	Alaska (AK) .....	No .....								
3.	Arizona (AZ) .....	No .....								
4.	Arkansas (AR) .....	No .....								
5.	California (CA) .....	No .....								
6.	Colorado (CO) .....	No .....								
7.	Connecticut (CT) .....	No .....								
8.	Delaware (DE) .....	No .....								
9.	District of Columbia (DC) .....	No .....								
10.	Florida (FL) .....	No .....								
11.	Georgia (GA) .....	No .....								
12.	Hawaii (HI) .....	No .....								
13.	Idaho (ID) .....	No .....								
14.	Illinois (IL) .....	No .....								
15.	Indiana (IN) .....	No .....								
16.	Iowa (IA) .....	No .....								
17.	Kansas (KS) .....	No .....								
18.	Kentucky (KY) .....	No .....								
19.	Louisiana (LA) .....	No .....								
20.	Maine (ME) .....	No .....								
21.	Maryland (MD) .....	No .....								
22.	Massachusetts (MA) .....	No .....								
23.	Michigan (MI) .....	Yes .....	76,229,314						76,229,314	
24.	Minnesota (MN) .....	No .....								
25.	Mississippi (MS) .....	No .....								
26.	Missouri (MO) .....	No .....								
27.	Montana (MT) .....	No .....								
28.	Nebraska (NE) .....	No .....								
29.	Nevada (NV) .....	No .....								
30.	New Hampshire (NH) .....	No .....								
31.	New Jersey (NJ) .....	No .....								
32.	New Mexico (NM) .....	No .....								
33.	New York (NY) .....	No .....								
34.	North Carolina (NC) .....	No .....								
35.	North Dakota (ND) .....	No .....								
36.	Ohio (OH) .....	No .....								
37.	Oklahoma (OK) .....	No .....								
38.	Oregon (OR) .....	No .....								
39.	Pennsylvania (PA) .....	No .....								
40.	Rhode Island (RI) .....	No .....								
41.	South Carolina (SC) .....	No .....								
42.	South Dakota (SD) .....	No .....								
43.	Tennessee (TN) .....	No .....								
44.	Texas (TX) .....	No .....								
45.	Utah (UT) .....	No .....								
46.	Vermont (VT) .....	No .....								
47.	Virginia (VA) .....	No .....								
48.	Washington (WA) .....	No .....								
49.	West Virginia (WV) .....	No .....								
50.	Wisconsin (WI) .....	No .....								
51.	Wyoming (WY) .....	No .....								
52.	American Samoa (AS) .....	No .....								
53.	Guam (GU) .....	No .....								
54.	Puerto Rico (PR) .....	No .....								
55.	U.S. Virgin Islands (VI) .....	No .....								
56.	Northern Mariana Islands (MP) .....	No .....								
57.	Canada (CN) .....	No .....								
58.	Aggregate other alien (OT) .....	X X X .....								
59.	Subtotal .....	X X X .....	76,229,314						76,229,314	
60.	Reporting entity contributions for Employee Benefit Plans .....	X X X .....								
61.	Total (Direct Business) .....	(a). 1 .....	76,229,314						76,229,314	
DETAILS OF WRITE-INS										
5801.	.....	X X X .....								
5802.	.....	X X X .....								
5803.	.....	X X X .....								
5898.	Summary of remaining write-ins for Line 58 from overflow page .....	X X X .....								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above) .....	X X X .....								

(a) Insert the number of yes responses except for Canada and Other Alien.

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER**  
**MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 - ORGANIZATIONAL CHART**

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	RESPONSE
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



95452200736500001

2007

Document Code: 365





**SCHEDULE A - PART 2**  
**Showing all Real Estate ACQUIRED During the Current Quarter**

1  Description of Property	Location		4  Date Acquired	5  Name of Vendor	6  Actual Cost	7  Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Expended for Additions and Permanent Improvements
	2  City	3  State						
9999999 Totals .....					.....	.....	.....	.....

**SCHEDULE A - PART 3**  
**Showing All Real Estate SOLD During the Quarter, Including Payments During the Final Year on "Sales Under Contract"**

1      Description of Property	Location		4   Disposal Date	5   Name of Purchaser	6   Actual Cost	7   Book/Adjusted Carrying Value Less Encumbrances Prior Year	8   Increase (Decrease) by Foreign Exchange Adjustment	9   Increase (Decrease) by Foreign Exchange Adjustment	10   Expended for Additions, Permanent Improvements and Changes in Encumbrances	11   Book/Adjusted Carrying Value Less Encumbrances	12   Amounts Received	13   Foreign Exchange Profit (Loss) on Sale	14   Realized Profit (Loss) on Sale	15   Total Profit (Loss) on Sale	16   Gross Income Earned Less Interest Incurred on Encumbrances	17   Taxes, Repairs and Expenses Incurred
	2	3														
	City	State														
9999999 Totals .....					.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

**SCHEDULE B - PART 1**

**Showing all Mortgage Loans ACQUIRED during the Current Quarter**

1	Location		4	5	6	7	8	9	10	11	12
	2	3									
Loan Number	City	State	Loan Type	Actual Cost	Date Acquired	Rate of Interest	Book Value/Recorded Investment Excluding Accrued Interest	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Value of Land and Buildings	Date of Last Appraisal or Valuation
9999999 GRAND TOTAL .....				.....	... X X X ..	.... X X X ...	.....	.....	.....	.....	... X X X ..

**SCHEDULE B - PART 2**

**Showing all Mortgage Loans SOLD, Transferred or Paid in Full During the Current Quarter**

1	Location		4	5	6	7	8	9	10	11	12	13
	2	3										
Loan Number	City	State	Loan Type	Date Acquired	Book Value/Recorded Investment Excluding Accrued Interest Prior Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Book Value/Recorded Investment Excluding Accrued Interest at Disposition	Consideration Received	Foreign Exchange Profit (Loss) on Sale	Realized Profit (Loss) on Sale	Total Profit (Loss) on Sale
9999999 Totals .....					.....	.....	.....	.....	.....	.....	.....	.....

**SCHEDULE BA - PART 1**

**Showing Other Long-Term Invested Assets ACQUIRED during the Current Quarter**

1	2	Location		5	6	7	8	9	10	11	12	13	14	15	16	
		3	4													
CUSIP Identification	Name or Description	City	State	Name of Vendor or General Partner	NAIC Designation	Date Originally Acquired	Type and Strategy	Actual Cost	Amount of Encumbrances	Book/ Adjusted Carrying Value Less Encumbrances	Fair Value	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Commitment for Additional Investment	Percentage of Ownership	
3999999 Total - Unaffiliated .....								.....	.....	.....	.....	.....	.....	.....	.....	... X X X ...
4099999 Total - Affiliated .....								.....	.....	.....	.....	.....	.....	.....	.....	... X X X ...
4199999 Totals .....								.....	.....	.....	.....	.....	.....	.....	.....	... X X X ...

**SCHEDULE BA - PART 2**

**Showing Other Long-Term Invested Assets SOLD, Transferred or Paid in Full During the Current Quarter**

1  CUSIP Identification	2  Name or Description	Location		5  Name of Purchaser or Nature of Disposal	6  Date Originally Acquired	7	8	9	10	11	12	13	14	15
		3  City	4  State			Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration Received	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income
3999999 Total - Unaffiliated														
4099999 Total - Affiliated														
4199999 Totals														

**SCHEDULE D - PART 3**

**Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter**

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
6099998	Summary Item for Bonds Bought and Sold This Quarter .....				X X X .....	X X X .....	X X X .....	X X X .....	X X X .....
6599998	Summary Item for Preferred Stock Bought and Sold This Quarter .....				X X X .....	X X X .....	X X X .....	X X X .....	X X X .....
7299998	Summary Item for Common Stock Bought and Sold This Quarter .....				X X X .....	X X X .....	X X X .....	X X X .....	X X X .....
7399999	Subtotal - Preferred and Common Stocks .....				X X X .....		X X X .....		X X X .....
7499999	Total - Bonds, Preferred and Common Stocks .....				X X X .....		X X X .....		X X X .....

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....0.

**SCHEDULE D - PART 4**  
**Show All Long-Term Bonds and Stocks Sold, Redeemed, or Otherwise Disposed of**  
**by the Company During the Current Quarter**

1	2	3 F o r e i g n	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description		Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
6099998	Summary Item for Bonds Bought and Sold This Quarter .....				... X X X ...	... X X X ..	... X X X ...	... X X X ...	... X X X ...	... X X X ..	... X X X ..	... X X X ..	... X X X ..	.. X X X ..	... X X X ...	... X X X ..	... X X X ..	... X X X ...	... X X X ..	. X X X .	.. X X X .
6599998	Summary Item for Preferred Stock Bought and Sold This Quarter .....				... X X X ...	... X X X ..	... X X X ...	... X X X ...	... X X X ...	... X X X ..	... X X X ..	... X X X ..	... X X X ..	... X X X ..	... X X X ...	... X X X ..	... X X X ..	... X X X ...	... X X X ..	. X X X .	.. X X X .
7299998	Summary Item for Common Stock Bought and Sold This Quarter .....				... X X X ...	... X X X ..	... X X X ...	... X X X ...	... X X X ...	... X X X ..	... X X X ..	... X X X ..	... X X X ..	... X X X ..	... X X X ...	... X X X ..	... X X X ..	... X X X ...	... X X X ..	. X X X .	.. X X X .
7399999	Subtotal - Preferred and Common Stocks .....				... X X X ...	...	... X X X ...	...	...	...	...	...	...	...	...	...	...	...	...	. X X X .	.. X X X .
7499999	Total - Bonds, Preferred and Common Stocks .....				... X X X ...	...	... X X X ...	...	...	...	...	...	...	...	...	...	...	...	...	. X X X .	.. X X X .

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....0.

**SCHEDULE DB - PART A - SECTION 1**

**Showing all Options, Caps, Floors and Insurance Futures Options Owned at Current Statement Date**

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price Rate or Index	Date of Acquisition	Exchange or Counterparty	Cost/ Option Premium	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income
9999999 Total .....								. X X X					

**SCHEDULE DB - PART B - SECTION 1**

**Showing all Options, Caps, Floors and Insurance Futures Options Written and In-Force at Current Statement Date**

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Description	Number of Contracts or Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price Rate or Index	Date of Issuance/ Purchase	Exchange or Counterparty	Consideration Received	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis	Other Investment/ Miscellaneous Income
9999999 Total .....								. X X X					

**SCHEDULE DB - PART C - SECTION 1**  
**Showing all Collar, Swap and Forwards Open at Current Statement Date**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Description	Notional Amount	Date of Maturity, Expiry, or Settlement	Strike Price Rate or Index Rec (Pay)	Date of Opening Position or Agreement	Exchange or Counterparty	Cost or (Consideration Received)	Book Value	*	Statement Value	Fair Value	Year to Date Increase/ (Decrease) by Adjustment	Used to Adjust Basis of Hedged Item	Other Investment/ Miscellaneous Income	Potential Exposure
9999999 Total .....						.....	.....	. X X X	.....	.....	.....	.....	.....	.....

**SCHEDULE DB - PART D - SECTION 1**  
**Showing all Futures Contracts and Insurance Futures Contracts at Current Statement Date**

1	2	3	4	5	6	7	8	9	Variation Margin Information			13
									10	11	12	
Description	Number of Contracts	Maturity Date	Original Value	Current Value	Variation Margin	Date of Opening Position	Exchange or Counterparty	Cash Deposit	Recognized	Used to Adjust Basis of Hedged Item	Deferred	Potential Exposure
9999999 Total .....						... X X X ..	..... X X X .....		.....	.....	.....	.....



**SCHEDULE E - PART 1 - CASH**

**Month End Depository Balances**

1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	*
							First Month	Second Month	Third Month	
open depositories										
Comerica Bank .....	P.O. Box 75000, Detroit MI 48275 .....				11,449	4,426	11,094,825	4,844,737	528,476	X X X
Mellon Bank .....	500 Ross Street, Pittsburgh, PA 15262 .....						278,302	248,216	193,968	X X X
The Northern Trust Company .	50 South LaSalle Street, Chicago IL 60675 .....				941,671	197,919	55,225,860	68,593,112	31,065,795	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories ..			X X X	X X X						X X X
0199999 Totals - Open Depositories .....			X X X	X X X	953,120	202,345	66,598,986	73,686,065	31,788,239	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories .....			X X X	X X X						X X X
0299999 Totals - Suspended Depositories .....			X X X	X X X						X X X
0399999 Total Cash On Deposit .....			X X X	X X X	953,120	202,345	66,598,986	73,686,065	31,788,239	X X X
0499999 Cash in Company's Office .....			X X X	X X X	X X X	X X X				X X X
0599999 Total Cash .....			X X X	X X X	953,120	202,345	66,598,986	73,686,065	31,788,239	X X X

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Gross Investment Income
0199999 .....					.....	.....	.....



**MEDICARE PART D COVERAGE SUPPLEMENT**  
**Net of Reinsurance**  
**For the Quarter Ended**

NAIC Group Code

NAIC Company Code

		Individual Coverage		Group Coverage		5 Total Cash
		1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1.	Premiums Collected .....		X X X		X X X	
2.	Earned Premiums .....		X X X		X X X	X X X
3.	Claims Paid .....		X X X		X X X	
4.	Claims Incurred .....		X X X		X X X	X X X
5.	Reinsurance Coverage and Low Income Cost Sharing - Claims Paid Net of Reimbursements Applied (a) .....	X X X		X X X		
6.	Aggregate Policy Reserves - change .....		X X X		X X X	X X X
7.	Expenses Paid .....		X X X		X X X	
8.	Expenses Incurred .....		X X X		X X X	X X X
9.	Underwriting Gain or Loss .....		X X X		X X X	X X X
10.	Cash Flow Results .....	X X X	X X X	X X X	X X X	

(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$.....0 due from CMS or \$.....0 due to CMS

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